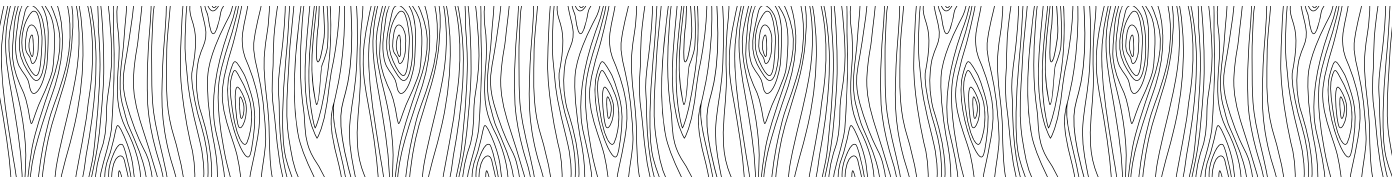




CONSUMER
MEMBERSHIP &
ACCOUNT AGREEMENT

EFFECTIVE JUNE 29, 2015

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OVERVIEW/CONTRACT

This Consumer Membership and Account Agreement (Agreement), Disclosure(s), Membership and Account Card (Account Card) and other account opening documents are part of the binding contract between you and us for your membership and account(s). Collectively, they contain the terms of our agreement with you. Please read all of these documents carefully so you understand your and our rights and responsibilities concerning membership and the account(s) offered to you.

In this Agreement, the words “you” and “your” mean those who signed the Membership and Account Card, Terms of Membership or Account Change Card (Account Card).

The words “we,” “us” and “our” mean Salal Credit Union (Credit Union).

The word “account” throughout this Agreement may be used collectively to refer to your checking, savings or certificate accounts with the Credit Union.

The classification and form of ownership of your account and shares are designated on your Account Card. Unless you waive your rights, you understand certain account designations, such as a joint ownership with right of survivorship or POD beneficiary may be invalidated upon the Credit Union’s receipt of notice of marriage dissolution or a testamentary disposition, as required by applicable law.

By signing the Account Card that is a part of the Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, Disclosures and any other account opening documents accompanying this Agreement, which collectively govern your Membership and Accounts. You agree additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time.

CHANGE IN TERMS

Except as otherwise prohibited by applicable law, the terms of this Agreement which includes any Disclosures are subject to change at any time. Changes may include any or all of the following:

- *Addition of new terms;*
- *Deletion or amendment to existing terms;*
- *Addition of new accounts and services and the discontinuation of existing accounts or services*

We may also convert existing accounts and services into new accounts and services.

The Credit Union will notify you of any changes to the account terms, rates or fees as required by law in advance of the change. However, we may make changes without prior notification unless otherwise required by law. We may, but do not have to, notify you of any change we make for security reasons or that we believe is either beneficial or not adverse to you.

Notice to any one account owner is considered notice to all owners on the account. If you continue to use your account or keep it open, you are deemed to accept and agree to the

change and are bound by the change. If you do not agree with a change, you may close your membership and/or account as provided in this Agreement.

The Credit Union reserves the right to waive any terms in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

MEMBERSHIP AND ACCOUNTS

IDENTIFICATION

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When you open an account, we will ask you your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

MEMBERSHIP ELIGIBILITY

To be eligible for membership in the Credit Union, you must be an individual qualifying within the Credit Union's field of membership as prescribed by the Credit Union's bylaws. You authorize us to check financial information data and employment history about you by any means allowed by law, including obtaining a credit report or credit score from any consumer reporting agency to verify your eligibility for any accounts and services we offer or you request.

TERMINATION OF MEMBERSHIP

To remain a member of the Credit Union, a member must retain at least one active share or loan with the Credit Union. A share is no longer active if funds in the share are presumed abandoned in accordance with Washington State RCW 63.29 - Uniform Unclaimed Property Act. A person who does not maintain at least one active share or loan ceases to be a member of the Credit Union and must re-qualify for membership.

In addition, the Credit Union may deny you services or expel you from membership for any reason allowed by applicable law, Credit Union by-laws, and Credit Union policy, including causing a loss to the Credit Union.

OWNERSHIP

GENERAL TERMS

When you request membership, we rely upon information you give us to determine the form of ownership for your membership and account(s) opened under that membership.

INDIVIDUAL ACCOUNT

An individual account is an account owned by one depositor including any person who is qualified for Credit Union membership. Upon death, the interest of a deceased individual owner will pass, subject to applicable law, to the decedent's estate or payable on death (POD) beneficiary, if applicable.

JOINT ACCOUNT WITH RIGHT OF SURVIVORSHIP

If more than one person's name appears in the title of the membership and account, i.e., member and a joint owner, the account is a joint account. All persons whose names appear on the membership and account(s) are co-owners of the membership/accounts(s), regardless of whose money is deposited into the account.

The account is owned as a joint account with rights of survivorship. If the account is a joint account with right of survivorship upon the death of one of the joint account owners, that person's interest will become the property of the surviving joint account owners. A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

Rights of Joint Account Owners

Any joint account owner is authorized and deemed to act for the other owner(s) and the Credit Union may accept orders and instructions regarding the account and requests for future services from any other account owner. Each account owner guarantees the signature of the other owners. Any account owner may:

- *Add additional persons as joint owners;*
- *Deposit funds and withdraw or transfer part or all of the funds in the account;*
- *Instruct us to stop payment on items drawn on an account;*
- *Obtain information about the account, including transactions conducted by other owners;*
- *Perform account maintenance for any account holder such as changing account address*
- *Withdraw or pledge all or any part of the shares of any account without the consent of the other account owner(s); and*
- *Close any account(s) and the membership.*

The Credit Union shall have no duty to notify any other joint account owner(s). If the Credit Union receives written notice of a dispute between account owners or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a court order to act or require all joint account owners agree in writing to any transaction concerning the account.

Joint Account Owner Liability

If any item deposited in a joint account is returned unpaid, if an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account owners is jointly and severally liable to the Credit Union for the amount of the returned item, overdraft or unpaid amount and any charges, regardless of who created the overdraft, deposited or cashed the item or benefited from the transaction. If any account owner is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the joint account.

PAYABLE ON DEATH DESIGNATION

A Payable on Death (POD) designation is an instruction to the Credit Union that a designated account is an account payable to the owner or owners during their lifetimes and upon the death of the last joint account owner, payable to any named and surviving POD beneficiary designated on your Account Card. A POD takes full precedence over a will or other documents. Accounts payable to more than one POD beneficiary are owned jointly by such beneficiaries with right of survivorship. Any POD beneficiary designation shall not apply to IRA accounts which shall be governed by a separate beneficiary designation. The Credit Union shall at no time have any obligation to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account, except as otherwise provided by law.

INDIVIDUAL RETIREMENT ACCOUNTS

An Individual Retirement Account (IRA) is governed by the terms of this Agreement and the terms and disclosures set forth in any other IRA Agreement(s) we may provide to you.

The Credit Union offers the follow types of IRA Plans:

- *Traditional IRA*
- *Roth IRA*
- *Coverdell Education Savings Account (ESA)*
- *Simplified Employee Pension (SEP) IRA*

You may deposit funds to each IRA Plan you have with us through an IRA Share or Share Certificate.

UNIFORM TRANSFERS TO MINORS ACCOUNT

A Uniform Transfers to Minors Account (UTMA) is an individual account established by a member as a custodian on behalf of a minor (a person under twenty-one (21) years of age). The custodian shall open the account in the name of the minor, include the minor's Social Security Number and must sign his or her own name on the Account Card. The custodian is the owner of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party entitled to make deposits to, withdrawal from or close the account. In the event of the custodian's death, the Credit Union may place an administrative hold on the account until it receives instructions from any person authorized by law to withdraw funds or a court order authorizing such withdrawal. Ownership of an UTMA is not transferred to the named minor without direction from the custodian or court order.

YOUTH ACCOUNTS

A youth account is established when the primary account holder is under the age of eighteen (18). The Credit Union reserves the right to require a youth account to have a joint account owner who is at least eighteen (18) years of age, such as a parent or legal guardian, who shall be jointly and severally liable to the Credit Union for any returned item, overdraft or unpaid charges or amounts on such account. For a joint account, all funds in the account shall be owned as a joint account with rights of survivorship. The Credit Union may make payments of funds directly to the youth without regard to his or her minority. Unless a guardian is a joint account

owner, the guardian shall not have any right to access the account. This does not apply to guardianship accounts opened pursuant to a court order. The Credit Union has no duty to inquire of the use or purpose of any transaction by the youth or joint account owner. The youth account owner's taxpayer identification number must be shown on the Account Card.

ACCOUNTS FOR REVOCABLE TRUSTS

An account in the name of a trust is an individual account held by one or more trustees of a trust for the benefit of one or more beneficiaries pursuant to a trust agreement. Upon request of the Credit Union, the trustee shall provide evidence of the trustee's authority. Trustee warrants a valid trust has been created, currently exists and that the trustor and primary beneficiary are eligible for membership in the Credit Union. The Credit Union does not act as a trustee and is under no obligation to inquire as to the powers or duties of the trustee(s). Trustee agrees to notify the Credit Union in writing if a change occurs. Credit Union may withhold payment of funds to any party until proper evidence of authority is provided. Credit Union may rely upon the directions of any one trustee until a written notice of revocation of the trust or an Account Change Card is received. Funds may be released to any one trustee acting alone or with a co-trustee. The trustee(s) agrees to indemnify and hold Credit Union harmless of any liability, claim, damage or loss arising as a result of unauthorized acts of any trustee or former trustee or acts of any trustee upon which Credit Union relies prior to notice of revocation of the trust. This Agreement shall be binding on the trust, any trustee, successor trustee and beneficiaries.

SPECIAL ACCOUNT INSTRUCTIONS

You may request the Credit Union to facilitate certain trust, fiduciary, will or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will or court order. You and any surviving owner or beneficiary agree(s) to indemnify and hold the Credit Union harmless from any claim or liability asserted against the Credit Union as a result of the disposition of funds in reliance on this Agreement and any account designation of yours. If you ask the Credit Union to follow instructions the Credit Union believes might expose it to claims, suits, lawsuits, expenses, liabilities or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond indemnifying the Credit Union. Any item presented with a full payment legend must be presented in person to a Credit Union officer; otherwise, payment is accepted with full reservation of rights. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without written authorization and a copy of the power of attorney on record at the Credit Union. You understand the Credit Union may choose to retain electronic or imaged copies of any original documents and you agree an electronic or imaged copy is valid as an original document.

TAX INFORMATION

In most instances we are required to report annually to you and to the Internal Revenue Service (IRS) dividend payments that total \$10.00 or more during the year on your deposit accounts with us. We may also be required to report this information to the appropriate state revenue authority.

When you establish a membership and open an account with us, we are required to obtain—and each U.S. citizen or resident alien must give us—a certified U.S. Taxpayer Identification Number (TIN) and information regarding your backup withholding status. When you apply for membership and an account, you certify you have provided the correct TIN for the primary member and the correct backup withholding status. Failure to furnish a correct TIN or meet other applicable requirements may result in backup withholding as well as civil or criminal penalties. If you refuse to provide your TIN, we may suspend your account privileges.

For individual accounts, the TIN is your Social Security Number (SSN). For individual accounts with joint or joint owners, we report tax information for the primary member. Resident aliens who do not qualify for Social Security should provide their Individual Taxpayer Identification Number (ITIN). For other accounts, i.e., businesses, the TIN is the Employer Identification Number (EIN). A business operating as a sole proprietorship may use the SSN of the sole proprietor. If you do not give us a certified name and TIN, if the IRS notifies us that the name and TIN you gave us is incorrect, or if the IRS notifies us that you failed to report all your dividends on your tax return, we are required to backup withhold at the current rate on dividends earned on your account and pay it to the IRS. Backup withholding is not an additional tax. You should claim amounts withheld and paid to the IRS as a credit on your federal income tax.

If you are a nonresident alien individual or entity you must provide the address of your permanent foreign residence or the entity's principal foreign office on an IRS Form W-8 provided to you when opening an account. For accounts with multiple owners, all owners must certify their status as foreign persons. If any individual on the account is a U.S. citizen that person must be the member and primary person on the account. You must renew your status as an exempt foreign person or entity prior to the end of the third calendar year following the year in which you last certified your status. If you fail to renew your status by the last day of the fourth calendar year, your dividends payments are subject to backup withholding. Some limited exemptions from this renewal process exist. If you become a U.S. citizen or resident after establishing your membership and opening an account, you must notify us within 30 days and provide us with your certified TIN. For more information on determining how this information applies to you, please consult with a U.S. tax advisor.

BUSINESS DAYS

Our business days are Monday through Friday, excluding legal holidays.

ACCOUNT CHANGES

NAME OR ADDRESS CHANGES

It is your responsibility to notify the Credit Union upon a change of address or change of name. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to the Credit Union. Address changes may be requested verbally or in written format. Failure to maintain a current address with the credit union may result in the assessment of a fee to your account as defined in the Consumer Product and Fee Schedule. If the Credit Union attempts to locate you, the Credit Union may impose a fee as set forth in the Consumer Product and Fee Disclosure.

MEMBER-INITIATED ACCOUNT CHANGES

Changes in account ownership, such as adding or removing a joint account owner, must be evidenced by a signed Account Change Card which upon execution, will be incorporated herein by this reference.

Amendments requested by you or any account owner, such as adding or closing accounts or services, may be made in person, by telephone or written instruction.

EFFECT OF NOTICE

Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union.

FEE INFORMATION

You agree to pay for our services in accordance with the fees that apply to your membership and account(s) with us.

As a member you are subject to the fees described in the Consumer Product and Fee Disclosure. A current disclosure is provided to you when you open your membership and any accounts with us.

CHECKING ACCOUNTS

We offer several types of checking accounts as described in our Consumer Product and Fee Disclosure. Additional information is provided below on dividend-bearing checking accounts.

RATE INFORMATION

The Dividend Rate (Rate) and Annual Percentage Yield (APY) are provided when you open your dividend-bearing checking account with us. The APY is a percentage rate that reflects the total amount of dividends to be paid on an account based on the Rate and frequency of compounding for an annual period. The Rate may change monthly as determined by Credit Union management. All of our dividend-earning checking accounts are tiered-rate accounts. Once a balance range is met, the Rate and APY for that range will apply to your entire balance.

NATURE OF DIVIDENDS

Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period. The Rate and APY disclosed to you when

you open your dividend-earning checking account are the anticipated Rate and APY we will pay for the applicable dividend period.

COMPOUNDING AND CREDITING

Dividends will be compounded and credited monthly. The dividend period for all dividend-bearing accounts is monthly and begins on the first calendar day of the month and ends on the last calendar day of the month.

ACCRUAL OF DIVIDENDS

Dividends will begin to accrue on deposits on the business day you make your deposit to your checking account.

If you close your account before accrued dividends are credited, accrued dividends will not be paid.

BALANCE INFORMATION

The following information, when applicable, is provided in our Consumer Product and Fee Disclosure.

- *Minimum balance required to open a checking account;*
- *Minimum monthly balance required to avoid a monthly service charge; and*
- *Minimum monthly balance required to obtain the disclosed APY.*

Dividends are calculated by the daily balance method which applies a daily periodic rate to the principal in the checking account each day.

SAVINGS ACCOUNTS

We offer several types of savings accounts as described in our Consumer Product and Fee Disclosure. The information in this section also applies to our money market account and IRA savings account.

RATE INFORMATION

The Rate and APY are provided when you open your savings account with us. The APY is a percentage rate that reflects the total amount of dividends to be paid on an account based on the Rate and frequency of compounding for an annual period. The Rate may change monthly as determined by Credit Union management. All of our savings accounts are tiered-rate accounts. Once a balance range is met, the Rate and APY for that range will apply to your entire balance.

NATURE OF DIVIDENDS

Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period. The Rate and APY disclosed to you when you open your savings account are the anticipated Rate and APY we will pay for the applicable dividend period.

COMPOUNDING AND CREDITING

Dividends will be compounded and credited monthly. The dividend period for all savings accounts is monthly and begins on the first calendar day of the month and ends on the last calendar day of the month.

ACCRUAL OF DIVIDENDS

Dividends will begin to accrue on deposits on the business day you make your deposit to your savings account.

If you close your account before accrued dividends are credited, accrued dividends will not be paid.

BALANCE INFORMATION

The following information, when applicable, is provided in our Consumer Product and Fee Disclosure.

- *Minimum balance required to open a savings account;*
- *Minimum monthly balance required to avoid a monthly service charge; and*
- *Minimum monthly balance required to obtain the disclosed APY.*

Dividends are calculated by the daily balance method which applies a daily periodic rate to the principal in the savings account each day.

TRANSFER LIMITATIONS

This Agreement and federal regulation impose limits on the number of pre-authorized third-party transactions you can make each calendar month from your savings account or money market account. You may make up to six (6) pre-authorized third-party transactions from your savings account or money market account each calendar month from among the following:

- *Pre-authorized transfers from your savings account or money market account (including transfers through our Overdraft Protection plan);*
- *Telephonic transfers from your savings account or money market account;*
- *Online banking transfers or bill payment transfers from your savings account or money market; or*
- *Checks from your account (only applicable to our money market account).*

The Credit Union counts transactions on the date the transaction posts to your savings account or money market account. In the case of a check, this date may be different from the date you wrote the check, which means a check written during one calendar month may not post and be counted until the next calendar month.

A pre-authorized transfer includes any arrangement with the Credit Union to pay a third party from your savings or money market account upon oral or written orders including orders received through the Automated Clearing House (ACH).

There is no limit on the number of transactions you may make from your savings account or money market account in the following manner:

- *In-branch withdrawals or transfers;*
- *ATM withdrawals or transfers;*
- *Transfers to any loan account with the Credit Union from a savings or money market account with the same ownership;*
- *Transfers to another Credit Union account from a savings or*

money market account with the same ownership if the transfer is initiated in person, by mail or at an ATM; or

- *Withdrawals (checks mailed directly to you) when such transfer or withdrawal is initiated in person, by mail or at an ATM.*

If a transfer request would exceed the transfer limitations set forth above in any calendar month, the Credit Union may refuse or reverse the transfer and your account will be subject to suspension or closure by the Credit Union and the Credit Union may impose a fee as described in our Consumer Product and Fee Disclosure.

These transaction limits do not apply to deposits.

SHARE CERTIFICATES

We offer several types of Share Certificates (Certificate) as described in our Consumer Product and Fee Disclosure. This Agreement also applies to any IRA Share Certificates you open with us. Any differences between the Certificate and IRA Share Certificate are explained below, when applicable.

RATE INFORMATION

The Rate and APY are provided when you open your Certificate with us. The APY is a percentage rate that reflects the total amount of dividends to be paid on an account based on the Rate and frequency of compounding for an annual period.

The Rate and APY for an IRA Share Certificate are fixed and will be in effect for the term of the IRA Share Certificate. The Rate is tiered and depends upon the opening balance as explained in our Consumer Product and Fee Disclosure.

The APY is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends will reduce earnings.

NATURE OF DIVIDENDS

Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period. The Rate and APY disclosed to you when you open your Certificate is the anticipated Rate and APY we will pay for the applicable dividend period.

COMPOUNDING AND CREDITING

Dividends will be compounded and credited monthly. The dividend period begins on the first calendar day of the month and ends on the last calendar day of the month. Dividends will compound to your Certificate unless you elect to have dividends credited to one of your other Credit Union accounts (does not apply to an IRA Share Certificate).

BALANCE INFORMATION

The following information, when applicable, is provided in our Consumer Product and Fee Disclosure.

- *Minimum balance required to open a Certificate; and*
- *Minimum monthly balance required to obtain the disclosed APY.*

Dividends are calculated by the daily balance method which

applies a daily periodic rate to the principal in the Certificate each day.

ACCRUAL OF DIVIDENDS

Dividends will begin to accrue on deposits on the business day you make your deposit to your Certificate.

ADDITIONAL DEPOSITS

Additional deposits of any dollar amount may be made at any time during the term of certain certificates as outlined in the Consumer Product and Fee Disclosure.

Additional deposits may be made at any time during the term of an IRA Share Certificate up to the allowable contribution amount each tax year for the type of IRA you open with us.

TRANSACTION LIMITATIONS

Except as otherwise noted, you may not make deposits or withdrawals, including dividends, during the term of your Certificate. Does not apply to required minimum distributions on IRA Share Certificates.

RENEWAL

Your Certificate is automatically renewable which means your Certificate will automatically renew for another term of the same duration upon maturity.

You have a grace period of ten (10) calendar days after maturity in which to withdraw funds in the Certificate without being charged an early withdrawal penalty and to prevent automatic renewal at the term for your Certificate account.

The Rate and APY for any renewal term is based upon the Rate we offer on the first day of the new term for the type of Certificate, amount and term of the renewed Certificate. Unless specifically stated otherwise, any bonus or special promotion we are offering will not apply to automatically renewing Certificates.

If at maturity we no longer offer a Certificate for the same term and type, we may reinvest your funds in a Certificate we believe offers similar features.

EARLY WITHDRAWAL

When you open a Certificate, you have contracted to leave your funds in the Certificate for the stated term. You may not withdraw all or part of the funds from your Certificate before the end of the term except as explained below.

At our discretion, we may allow you to withdraw all or part of your funds during the term of your Certificate (at times other than the grace period). Each time we permit you to make an early withdrawal of principal, we may charge you an early withdrawal penalty as follows:

Amount of Penalty

The amount of the early withdrawal penalty is based on the term of your Certificate and is as follows:

- *6-12 Month Term— an amount equal to 90 days dividends*
- *Over 12 Month Term— an amount equal to 180 days dividends*

How the Penalty Works

The penalty is calculated as a forfeiture of part of the dividends that have been or would be earned on a Certificate. It applies whether or not the dividends have been earned. In other words, if the Certificate has not yet earned enough dividends or if the dividend has already been paid, the penalty will be deducted from the principal.

Exceptions to Early Withdrawal Penalties

At our option, we may allow an early withdrawal before maturity without imposing an early withdrawal penalty as follows:

- *When a Certificate owner dies or is determined legally incompetent by a court or other body of competent jurisdiction,*
- *When the Certificate is an IRA Share Certificate and any portion is paid within seven (7) calendar days after establishment, or*
- *If the account owner becomes disabled.*

For IRA Share Certificates opened under a Traditional IRA Plan—the early withdrawal penalty is waived for partial withdrawals made after the age of 70 1/2 to permit the Required Minimum Distributions for a Traditional IRA. Any withdrawals, partial or full, made prior to attaining the age of 70 1/2 are subject to the early withdrawal penalties explained above.

NON-TRANSFERABLE/NON-NEGOTIABLE

Your Certificate is non-transferable and non-negotiable. The funds in your Certificate may not be pledged to secure any obligation of an account owner, except obligations with the Credit Union. IRA Share Certificates may not be pledged as collateral to secure a loan.

DEPOSIT REQUIREMENTS

Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth in this or other service agreements. All accounts are non-assignable and non-negotiable to third parties.

ENDORSEMENTS

You authorize the Credit Union, at its discretion, to accept transfers, checks, drafts and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. Missing endorsements are only supplied to account holder(s) of the credit union and these items can only be deposited into an account in the name of the payee. The Credit Union reserves the right to verify all endorsements on third-party checks presented for deposit either in person or by comparison with member signature files.

When you endorse checks or drafts (“Item”), you must endorse the Items in the area that extends 1 1/2 inches from the trailing edge on the back of the Items. You must also confine information you place or have preprinted on the back of the Items to the same area. Otherwise, it may overlap into the area reserved for the Credit Union’s endorsements. The trailing edge is the left side of the Item when you look at it from the front.

If you endorse Items outside that area, mark or otherwise obscure the other area or a prior endorsement or make an endorsement that is illegible or incomplete, the Credit Union may refuse the Items. If the Credit Union accepts Items with non-conforming endorsements, you agree to hold the Credit Union harmless for any loss, delay, liability, claim or damage which may arise as a result. If it becomes necessary for the Credit Union to return one of your Items, your endorsement or information placed on the back of the Item may interfere with the Credit Union endorsements and cause delays in returning the Item. You are liable for and agree to reimburse the Credit Union for all claims, costs, losses and damages that result from late return of an Item due to the material entered on the back of the Item that obscured or interfered with the Credit Union or another financial institution’s endorsement.

Third-Party Endorsements

The Credit Union may require checks and other items you want to deposit or cash be endorsed by all parties to whom the items are payable. We may require verification of any endorsement through any method available to us such as requiring identification of all parties. The Credit Union is under no obligation to accept items for deposit bearing a third-party endorsement.

COLLECTION OF ITEMS

In handling items for deposit or collection, the Credit Union only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for default or negligence of any correspondent or for loss in transit and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection.

MAIL DEPOSITS

When you send deposits by mail, the Credit Union may treat them as received at the time we receive actual delivery of the deposits sent by mail. If you place deposits at an unstaffed facility, we may treat them as received when we remove them from the location from which the deposit was made.

FINAL PAYMENT

All items or Automated Clearing House (ACH) credits credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items or ACH credits and impose a return charge on your account.

After we have received final payment, we refer to these deposits as collected items. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

DIRECT DEPOSIT/PAYROLL DEDUCTION

The Credit Union may offer direct deposit and payroll deduction options allowing you to preauthorize deposits (i.e., payroll checks, Social Security, retirement or other government checks) or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits/payroll deduction to your accounts by a separate authorization form.

Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

CREDITING OF DEPOSITS

Deposits made on Saturdays, Sundays and Credit Union holidays will be credited to your account on the next business day. Deposits received at unstaffed facilities such as night depositories will be credited on the business day funds are removed and processed by the Credit Union. All items credited to your account are provisional and subject to the Credit Union's receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items and impose a return charge on your account. You waive any notice of nonpayment, dishonor or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

If you make a deposit at a Credit Union branch or Credit Union ATM on a business day prior to 5:30pm, we will consider that day to be the day of your deposit. However, if you make a deposit after posted business hours or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

DEPOSIT OF FOREIGN ITEMS

Items drawn from an institution located outside the United States are handled on a collection basis only. Provisional credit of deposited items drawn from institutions in Canada may be made at the discretion of the Credit Union.

ACCOUNT ACCESS

ACCESS OPTIONS

You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., check, automated teller machines (ATM), debit card, in person, by mail, automatic transfer, telephone, mobile or online banking). If the Credit Union accepts any check that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the check. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

AUTHORIZED SIGNATURE

In order to access any account, the Credit Union must have

your signed signature on an Account Card. The Credit Union is authorized to recognize your signature, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith the signature on such item or instruction is not genuine.

If you have authorized the use of a facsimile signature, the Credit Union may honor any draft that appears to bear your facsimile signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.

ELECTRONIC CHECK TRANSACTIONS

If you authorize a merchant to electronically debit your checking account using the routing, account and serial number of your check to initiate the transfer, whether the check is blank, partially or fully completed and signed, such authorization is an electronic check conversion. An electronic check conversion is an electronic funds transfer ("EFT") subject to the terms of the Electronic Funds Transfer Disclosures section within this Agreement. You authorize us to honor any electronic check conversion from your checking account just the same as a regular written check.

ACH AND WIRE TRANSFERS

You may initiate or receive credits or debits to your account via wire transfer or ACH (Automated Clearing House) transfer. You agree if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree if the Credit Union does not receive final settlement for a transfer, it may reverse the provisional credit to your account or you will refund the amount to the Credit Union. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different party or institution. Fedwire is the funds transfer system operated by the U.S. Federal Reserve Banks. If any part of a wire is carried out by Fedwire, your rights and obligations are governed by Federal Reserve Regulation J. For each ACH transaction, you agree the transaction is subject to the National Automated Clearing House Association Operating Rules and any local ACH operating rules in effect.

CREDIT UNION EXAMINATION

The Credit Union may disregard information on any check other than the signature of the drawer and amount of the item and any magnetic encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

Since the Credit Union does not individually examine checks, it is critical for you to take care of your checks, promptly

review your statements, and immediately report any suspicious or unauthorized activity to us. You agree automated processing of your checks is reasonable and you accept responsibility for preventing and reporting forgeries, alterations, and other unauthorized uses of your checks or accounts. You agree the exercise of ordinary care will not require us to detect forgeries or alterations that could be detected by a person observing reasonable commercial standards.

FACSIMILE SIGNATURES

If you use a facsimile or other mechanical signature (such as a stamp) to sign or endorse items, you acknowledge and agree we can rely on that signature and the Credit Union has no liability to you for failure to detect that such signature was affixed by someone lacking authority to do so. It is your responsibility to ensure appropriate security precautions are taken for any mechanized signature device. You agree we may conclusively treat as authorized any signature that reasonably resembles your facsimile, mechanical, or stamped signature. You agree to execute a written agreement, including an indemnification, regarding the use of such signatures if we request you do so.

WITHDRAWAL LIMITATIONS

The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Checks or other transfers; or payment orders which are drawn against insufficient available funds will be subject to a fee, set forth in the Consumer Product and Fee Disclosure. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds in any order at the Credit Union's discretion. The Credit Union may also refuse to allow a withdrawal in other cases including, but not limited to, the following:

- *Any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal);*
- *Legal garnishment or attachment is served;*
- *The account secures an obligation to the Credit Union;*
- *Any required documentation has not been presented; or*
- *You fail to repay a Credit Union loan on time.*

You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks of not less than seven (7) days and up to 60 days as required by law before such withdrawal). If deemed necessary, the Credit Union reserves the right to limit cash withdrawals.

Withdrawal limitations from your savings account and money market account are explained earlier in this Agreement.

SUBSTITUTE CHECKS

To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These checks are similar in size to original checks

with a slightly reduced image of the front and back of the original check. The front of a substitute states "This is a legal copy of your check. You can use it in the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

The Credit Union does not return substitute checks with your statement or provide images of substitute checks on your statement. You may request copies of substitute checks as explained in the Statements section of this Agreement.

ELECTRONIC RE-PRESENTED CHECKS

If you write a check we return unpaid because of insufficient or uncollected funds, the payee or any subsequent holder of the check may re-present the check to us, through an electronic instruction ("Electronic Re-presented Check") to charge your account for the amount of the check. If we receive an electronic re-presented check, we will pay or return the electronic re-presented check as if the original paper check was presented to us. Any collection fee you authorize the merchant to debit from your account is an electronic funds transfer subject to the terms of the Electronic Funds Transfer Disclosure section of this Agreement. If you want to reverse an electronic re-presented check, you must give us an affidavit within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic re-presented check. In your affidavit, you must declare and swear under oath that the electronic re-presented check was ineligible or unauthorized. If we receive a proper notice or affidavit from you within the 15-day period, we will re-credit your account with the amount of the charge. If you wish to stop payment of any electronic re-presented check, you must follow the procedures contained in this Agreement for stopping payment of checks, not the procedures for stopping payment on electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper check, and we provide it to you, you agree you will not seek to have your account re-credited due to a prior stop payment order or if the item is otherwise ineligible for collection.

OVERDRAFT POLICY

OVERDRAFT LIABILITY

If on any day, the available funds in your Checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures or any overdraft service you may have with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. The Credit Union has no duty to notify you of an insufficient funds check. Your account will then be subject to a charge for the item whether paid or returned as set forth in the Consumer Product and Fee Disclosure. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If the Credit Union pays a check that would otherwise overdraw your account, you agree to pay the overdraft amount immediately.

We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits. You are responsible for recording account balances and transactions and monitoring your account. Overdraft services offered by the Credit Union are described below.

OVERDRAFT TRANSFER PROTECTION

Overdraft protection through our Overdraft Transfer Protection plan is available with any checking account you open with us; however, you must request the plan. We will honor the payment of checks and other items drawn on insufficient funds in any of your checking accounts by transferring the necessary funds from available funds in other accounts of yours (savings or checking accounts, credit card or line of credit accounts authorized for this type of overdraft protection (the loan agreement will state if overdraft protection from the line of credit is available) to your applicable checking account. We will transfer funds to your overdrawn checking account(s) in accordance with your transfer instructions or in accordance with applicable loan agreements. The fee for overdraft transfers under this plan is set forth in the applicable Consumer Product and Fee Disclosure. Transfers from a deposit account will be governed by this Agreement. Transfers from a loan account, including fees, will be governed by the applicable loan agreement. You must apply for a line of credit and your application is subject to credit approval by the Credit Union.

COURTESY PAY BASIC OR COURTESY PAY PLUS

You may request the following services; however, the Credit Union must approve your participation in these services. Eligibility requirements are explained below.

- *Courtesy Pay Basic (for ACH transactions and checks)*
- *Courtesy Pay Plus (for ACH transactions, ATM withdrawals, checks and everyday debit card transactions)*

To pay items which may overdraft your account, neither Courtesy Pay Basic nor Courtesy Pay Plus constitutes an actual or implied agreement between you and the Credit Union. Nor does it constitute an actual or implied obligation of or by the Credit Union. These services represent a purely discretionary courtesy or privilege the Credit Union may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior notice, reason or cause.

A non-sufficient funds (negative) balance may result from:

- *Payment of checks, electronic funds transfers, or other withdrawal requests authorized by you;*
- *Nonpayment and return of items deposited by you;*
- *Imposition of applicable fees assessed to your account; or*
- *Funds held on deposited checks in accordance with the Credit Union's Funds Availability Policy.*

We are not obligated to pay any item presented for payment if your account does not contain sufficient funds or collected funds. At the sole discretion of the Credit Union, we may pay the insufficient funds item and overdraw your account or the Credit Union may return the insufficient funds item without payment. In either case, we may charge you a fee for each item

paid into overdraft (Overdraft Fee) or for each item returned unpaid (Non-Sufficient Funds Fee).

A Courtesy Pay Plus disclosure regarding the payment of ATM and everyday debit card transactions and associated fees will be provided at the time you open your checking account. Courtesy Pay Plus will not be added to your checking account unless you choose to have this service.

COURTESY PAY BASIC & COURTESY PAY PLUS

ELIGIBILITY REQUIREMENTS

If you have multiple memberships, and you are the primary owner on each membership, only one checking account can be designated for Courtesy Pay Basic or Courtesy Pay Plus.

Pathway Checking is not eligible for Courtesy Pay Basic or Courtesy Pay Plus.

INITIAL ELIGIBILITY

Eligibility requirements for Courtesy Pay Basic and Courtesy Pay Plus are explained below.

New Member

Primary member must be at least 18 years old.

Existing Member

In addition to the new member requirement defined above:

- *Checking account you wish to designate for this service must be in good standing (defined as bringing the balance in the account to a positive balance within 30 days of the overdraft occurrence);*
- *Not be delinquent on any Credit Union loan (defined as more than 30 days past due);*
- *Not have a modified loan with the Credit Union; and*
- *Not be subject to any legal or administrative order on a Credit Union account.*

ONGOING ELIGIBILITY

The Credit Union will cancel your participation in Courtesy Pay Basic or Courtesy Pay Plus if you are no longer a member in good standing. A member in good standing must:

- *Have brought a negative balance in your checking account to a positive balance within 30 days of the overdraft occurrence;*
- *Not be delinquent on a Credit Union loan (defined as more than 30 days past due);*
- *Not have a modified loan with the Credit Union; and*
- *Not be the subject of any legal or administrative order or levy.*

Failure to meet these eligibility requirements will result in the Credit Union revoking your Courtesy Pay Basic and/or Courtesy Pay Plus privileges. If you wish to be reinstated for participation in Courtesy Pay Basic or Courtesy Pay Plus, you must be a member in good standing (as defined above) for period of six consecutive months from the date the Credit Union cancels your participation.

We will consider, without obligation on your part, approving your reasonable overdrafts. This discretionary service will be limited to a \$700 overdraft (negative) balance for any eligible checking account. All fees, including without limitation our Overdraft Fee (as set forth in our Consumer Product and Fee Disclosure), will be included in this limit and will apply to any transaction that overdraws your account.

We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you. You may be notified of any non-sufficient funds items paid or returned you may have; however, we have no obligation to notify you before we pay or return any items.

The amount of any overdrafts and overdraft or non-sufficient funds fees you owe us shall be due and payable on demand. If there is an overdraft paid by us on an account with more than one (1) owner on the account, each owner, and agent if applicable, shall be jointly and severally liable for such overdrafts plus any associated fees.

CANCELLING OVERDRAFT SERVICES, OVERDRAFT TRANSFER PROTECTION OR COURTESY PAY BASIC

If you do not wish to use Overdraft Transfer Protection or Courtesy Pay Basic (assuming you meet the eligibility requirements for this service), you may notify the Credit Union as follows:

- *At the time of account opening; or*
- *Any other time by calling the Credit Union at 800.562.5515 or 206.298.9394, or visiting a Credit Union branch.*

COURTESY PAY PLUS

If you opt in for Courtesy Pay Plus and at a later date wish to cancel your participation in Courtesy Pay Plus, you may notify the Credit Union at any time as follows:

- *Call us at 800.562.5515 or 206.298.9394;*
- *Visit a branch;*
- *Visit our website at salalcu.org; or*
- *Write to us at:*

Salal Credit Union
Attention: Opt In
P.O. Box 19340
Seattle, Washington 98109

If you opt out of or cancel Courtesy Pay Basic and/or Courtesy Pay Plus, you may incur overdraft fees if you have insufficient funds when a debit card transaction clears the account or for a recurring debit card transaction.

POST-DATED AND STALE-DATED ITEMS

POST-DATED ITEMS

You authorize us to accept and pay any check, even if the check is presented for payment before its date, unless you notify the Credit Union of the postdating and request a stop payment.

Your request to stop payment on a post-dated check will be effective only if the Credit Union receives the notice in time for the Credit Union to notify its employees and reasonably act upon the notice and you accurately describe the check, including the number, date and amount. You understand that exact information is necessary for the Credit Union's core processing system to identify the check. If you give the Credit Union an incorrect, incomplete or untimely notice, the Credit Union will not be responsible for paying the item before the date stated and the Credit Union may charge your account as of the date the item is presented to the Credit Union for payment.

If we receive a post-dated check that is subject to a stop payment order from you, we will return the check for that reason.

You also agree not to deposit checks, drafts or other items before they are properly payable.

STALE-DATED ITEMS

The Credit Union is under no obligation to you to pay a check or draft drawn on your account or accept a check or draft for payment or deposit into an account, which is presented more than six months after its date.

STOP PAYMENT ORDERS

STOP PAYMENT REQUEST

You may ask the Credit Union to stop payment on any check drawn upon or ACH debit scheduled from your Checking or Money Market account. You may request a stop payment by telephone, online, mail or in person. For checks, the stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order. For ACH debits, the stop payment order must be received at least three (3) business days before the scheduled date of the transfer. For checks, you must provide your account number, check number, date the check was written, payee and exact amount of the check. For ACH debits you must provide the originator of the ACH debit and the exact dollar amount. If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the item. The Credit Union may charge a fee for each stop payment order requested, as set forth in the applicable Consumer Product and Fee Disclosure.

DURATION OF ORDER

Stop Payment on a Check

You may make an oral or written (written includes online requests) stop payment order with us. A confirmation notice will be sent to you and we ask you contact us immediately if any information on the confirmation is not correct. If you provided us with incorrect information, e.g., wrong dollar amount, we may pay the item. A written stop payment order will be effective for six (6) months. A stop payment order may be renewed.

The Credit Union is not obligated to notify you when your stop payment order expires.

Stop Payment on an ACH Debit

If we have not already paid an ACH debit from your account, then at your request and risk we may accept a stop payment order on it. If you give us oral instructions, we may require you to confirm them in writing. If you do not confirm the stop payment in writing, we may remove the stop payment after 14 days. You may request a one-time stop payment or a permanent stop payment on an ACH debit.

LIABILITY

You may not stop payment on a cashier's check or any other check, draft or payment guaranteed by the Credit Union. If a cashier's check issued by the Credit Union is lost, stolen or destroyed, we may be able to re-issue the cashier's check; however, a 90-day waiting period may be required. Additionally, you may not stop payment on a point of sale transaction or an ATM withdrawal or transfer.

You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple-party account owner, payee or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

STATEMENTS

CONTENTS

If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided, you agree only one statement is necessary for a multiple-party account. For checking accounts, you understand the Credit Union does not return checks with statements. Copies of checks written from your account are made available upon your request. The Credit Union may impose a fee for copies of checks as set forth on the Consumer Product and Fee Disclosure.

You understand statements are made available to you on the date the statement is sent to you and you will be responsible for any forged, altered or unauthorized item drawn on your account if:

- *You fail to notify the Credit Union within thirty (30) days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration or unauthorized signature on the item; or*
- *Items are forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine.*

If you request us to provide you with a copy of a substitute check, you agree we may provide an electronic image of the original check or sufficient copy if you have agreed to receive

account information or statements electronically.

NOTICE TO CREDIT UNION

You agree the Credit Union's retention of substitute checks does not alter or waive your responsibility to examine your statements or the time limit for notifying the Credit Union of any errors. The statement will be considered correct for all purposes and the Credit Union will not be liable for any payment made or charged to your account unless you notify the Credit Union in writing within the above time limit after the statement is made available to you.

INACTIVE & ABANDONED ACCOUNTS

If you have an account that you have not made a withdrawal from, deposit to or transfer involving your account for more than one (1) year, the Credit Union classifies your account as inactive and may charge an inactive fee as allowed by applicable law and set forth on the applicable Consumer Product and Fee Disclosure. If you re-establish contact with us, such fees are nonrefundable. Thereafter, dividends will be paid on the account unless the balance falls below any minimum balance required to earn dividends. The Credit Union will notify you at your last known address prior to imposing any fee as required by law and within the prescribed timelines. Additionally, accounts will continue to incur applicable monthly fees unless contact is established with you and you elect to close the account. Prior notification regarding the continuance of such fees is not required. You authorize us to transfer funds from any available account of yours to cover any monthly fees, if necessary.

Your account is usually considered abandoned in accordance with the Uniform Unclaimed Property Act if you have not performed at least one of the following activities for three years.

- *Made a deposit or withdrawal;*
- *Written to us about the account; or*
- *Otherwise shown an interest in the account such as asking us to keep the account active.*

Credit Union charges and dividend payments, and automatic deposits and withdrawals are not considered activity.

Funds in abandoned accounts will be remitted in accordance with state law. Before we remit abandoned funds or property, we may send a notice to the address we currently have on record. We may not send this notice if mail we previously sent to the address was returned. Once funds have been remitted to the state, the Credit Union has no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

DEATH OF ACCOUNT OWNER

You irrevocably waive the right to make a testamentary disposition of any account with the Credit Union, now and in the future. You agree that upon your death, your account will be payable in accordance with any existing account designations and the terms of this Agreement. We may require the survivor or other claimants to the account to produce certain documents before releasing the funds in the account. The

Credit Union may continue to honor all transfers, withdrawals, deposits and other transactions on the account until the Credit Union learns of an account owner's death. Once the Credit Union learns of a member's death, the Credit Union may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days unless the Credit Union receives instructions from any person claiming an interest in the account to stop payment on the checks or other items. You agree the Credit Union can require anyone who claims funds in your account after your death to indemnify the Credit Union for any losses resulting from honoring that claim.

ACCOUNT CLOSURE

The Credit Union may close your account at any time without notice to you or may require you to close your account and apply for a new account under the following circumstances.

- *There is a change in owners or authorized signers;*
- *There has been any form of fraud, including forgeries reported or committed involving your account;*
- *There is a dispute as to the ownership of the funds in the account;*
- *There has been a zero (\$0) balance in the account and no activity for ninety (90) days or longer;*
- *Any account checks are lost or stolen;*
- *If there are excessive returned unpaid items not covered by an overdraft protection plan; or*
- *If there has been any misrepresentation or any other abuse of any of your accounts.*

Any account owner may close an account, including a joint account, at any time by notifying the Credit Union by oral direction or in writing. The Credit Union is not responsible for payment of any check, withdrawal or other item once your account is closed; however, if the Credit Union pays a check after closure, you agree to reimburse the Credit Union for payment.

LOST ITEMS

The Credit Union, in receiving items from you for withdrawal or deposit, acts only as your agent and reserves the right to reverse the credit for any deposited items or to charge your account for the items should they become lost in the collection process.

UNLAWFUL INTERNET GAMBLING

You acknowledge and agree that "restricted transactions" as defined in the Unlawful Internet Gambling Enforcement Act of 2006 and regulation (Regulation GG) are prohibited from being processed through your account or any other relationship between you and us. In the event we identify a suspected restricted transaction, we may block or otherwise prevent or prohibit such transaction.

In addition to the actions noted above, if you have a business account, we may close your account or end the relationship unless you are able to provide the following to us.

- *Evidence of your legal authority to offer online gaming; or*
- *Third party verification that your internet gambling business has controls in place to prevent improper use of the site by minors or from other individuals in other geographic locations where such gambling would be prohibited.*

A business account for these purposes includes a sole proprietor (individual who intends to use the account for carrying on a trade or business), association or other entity operated on a not-for-profit basis.

CREDIT UNION'S LIABILITY FOR ERRORS

If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable as follows:

- a) Through no fault of the Credit Union, your account does not contain enough money to make the transaction;*
- b) Circumstances beyond the control of the Credit Union prevent the transaction from occurring;*
- c) Your loss is caused by your negligence or the negligence of another financial institution; or*
- d) The money in your account is subject to legal process or other claim.*

The Credit Union will not be liable for consequent damages except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules and general banking practices followed in the area serviced by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

CREDIT UNION LIEN & SECURITY INTEREST

To the extent you owe the Credit Union money as a borrower, guarantor, endorser or otherwise, the Credit Union has a lien on any or all of the funds in any account in which you have an ownership interest at the Credit Union, regardless of the source of the funds. The Credit Union may apply these funds in any order to pay off your indebtedness. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its rights to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount owed the Credit Union, except obligations secured by your dwellings, unless prohibited by applicable law. All accounts are non-assignable and nontransferable to third parties.

LEGAL PROCESS

If any legal action, such as a levy, garnishment or attachment, is brought against your account; the Credit Union may refuse to pay out any money from your account until the dispute is resolved. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law. Any legal process against your account is subject to the Credit Union's lien and security interest.

ACCOUNT INFORMATION

Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except as follows:

- *It is necessary to complete the transaction;*
- *The third party seeks to verify the existence or condition of your account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations;*
- *Such disclosure is in compliance with the law, government agencies or court orders; or*
- *You give us your written permission.*

ENFORCEMENT

You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to Washington law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable.

SEVERABILITY

In the event any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement shall not be invalid or unenforceable and will continue in full force and effect.

GOVERNING LAW

This Agreement is governed by the bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of Washington and local clearing house rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

PRIVACY AND SECURITY

OUR CONFIDENTIALITY & SECURITY SAFEGUARDS

We maintain strict policies and security controls to assure member information in our computer systems and files is protected. Our employees and agents are permitted access to member information they may need to perform their jobs and to provide service to you. Our employees and agents have access to such member information as necessary to conduct a transaction or respond to your inquiries. All employees and agents are trained to respect member privacy. No one except our employees and agents has regular access to the Credit Union computer system and records storage. The Credit Union has established internal security controls, including physical, electronic and procedural safeguards to protect the information you provide us and the information we collect about you. We will continue to review our internal security controls to safeguard your member information as we employ new technology in the future.

ONLINE PRIVACY PROTECTIONS

At our website, www.salalco.org, you may apply for certain accounts and services, and you may communicate with us via e-mail. To protect the information you provide us online, we use multiple levels of security. The application information we accept online and our home banking service relies on industry standard Secure Sockets Layer (SSL) encryption to secure your transaction information and communication. Generally, e-mails via our website are not secure. E-mails sent through Online Banking are secure. However, if we ask you to e-mail us information other than your name, address, e-mail address and phone number, it will be obtained using a secure (SSL encryption) e-mail form. When you visit our website, you can access site information, without revealing your personal identity. However, in order to help us identify you for future site visits, we use cookies to track your visit. A cookie is a piece of information our web server stores on your computer hard drive and retrieves later. The cookie will not request, require or collect personal identity information and you remain anonymous. Your member information is not accessed by or stored within a cookie in any way.

PROTECTING CHILDREN'S INFORMATION PRIVACY

Our online financial services are not designed for or directed toward children. We do not knowingly solicit or collect data from children, and we do not knowingly market to children online. We recognize protecting children's identities and online privacy is important and that responsibility rests with us and with parents.

ATM/NIGHT DEPOSIT SAFETY NOTICE

The suggestions that follow offer some simple tips on protecting your ATM and Debit cards, your PIN and on exercising care when using an ATM.

Protect Your Card and Personal Identification Number (PIN)

- *Always protect your card by keeping it in a safe place. If your card is lost or stolen, contact us immediately.*
- *Always protect your PIN. You should never give your PIN to anyone and you should never write your PIN anywhere, especially on your card. If you choose your own PIN, avoid using obvious*

numbers such as telephone numbers, addresses, or birth dates.

- Never give information about your card or PIN over the telephone. If someone is asking for this information, refuse and immediately contact us.

Be Aware of Your Surroundings at ATMs

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when using the ATM or night deposit facility after dark.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- If you notice anything suspicious at the ATM or night facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your card or deposit envelope, and leave.
- If you are followed after making a transaction, go to the nearest public area.

Protect Your Privacy

- While at the ATM, enter your PIN discreetly; shield the keypad with your hand or body.
- After completing your transaction, refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- Do not leave your transaction record at the ATM. Keep your transaction record in a safe place so you can compare it to your statement.
- If an ATM appears altered, damaged or tampered with, including loose pieces or signs of adhesive, don't use the ATM and report your findings to the ATM owner.

Request Emergency Assistance

- Report all crimes to law enforcement officials immediately.

FUNDS AVAILABILITY POLICY

Our funds availability policy is set forth below. We reserve the right to place reasonable holds on deposited funds to the extent permitted by law. All deposits are subject to verification by the Credit Union.

1. GENERAL POLICY

Our policy is to make funds from your deposit available to you on the same business day that your deposit is received. If you make a deposit in a branch during posted business hours on a business day that we are open, we will consider that day to be the day of your deposit. Funds from deposits received via the Automated Clearing House (ACH) network will be available on the day the deposit is received. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

2. BUSINESS DAYS

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. Except as otherwise noted, for the purpose of Funds Availability, our business day ends at 5:30 pm Pacific Time.

3. DELAYED AVAILABILITY

If funds are deposited directly at a branch with an employee of the Credit Union and we are not going to make all of the funds available on the day of receipt, we will provide notification at the time of deposit and we will tell you when the funds will be available. If the funds are not delivered directly to an employee of the Credit Union or we decide to take this action after you have left the branch, we will mail you a notice by the business day after we receive the deposit. If you need funds right away, you should ask when the funds will be available.

The first \$200 of the combined daily total of deposits will be made available on the day of deposit. Funds deposited at a branch of the Credit Union and payable to you from the U.S. Treasury or Government, or by cashier's, certified, or teller's checks, or postal money orders will generally be made available the first business day following the business day of the deposit. For other types of checks deposited funds will be made available the second business day after the day of deposit.

Funds that are being held may not be used to pay items presented for payment. After funds have been withdrawn from your account, you remain responsible and liable for checks that were deposited to your account that are returned to us unpaid.

4. EXCEPTION HOLDS

We may delay the availability of funds you deposit by check for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.
- You deposit an item drawn on a foreign bank.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. Funds will generally be available no later than the fifth business day after the day of your deposit.

5. SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules apply during the first 30 days your account is open. Except as noted below, all funds deposited may not be immediately available. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first business day after the day of your deposit if the

deposit meets certain conditions. The excess over \$5,000 will be available on the seventh business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

6. HOLDS ON OTHER FUNDS

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately, but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

FUNDS AVAILABILITY

ON ATM, MOBILE CHECK, SHARED BRANCH, MAIL AND DROP BOX DEPOSITS:

NOTE: Exception Holds and Special Rules on New Accounts also apply to these deposit types.

ATM DEPOSITS

If you make a deposit at an ATM owned by Salal Credit Union or through a non-proprietary ATM (not owned by the Credit Union), the first \$200 of the combined daily total of all ATM deposits will be available on the day of deposit. Additional funds may not be available until the second business day after the day of your deposit. If you make a deposit after business hours or on a day we are not open, we will consider that the deposit was made on the next business day we are open. Because of the servicing schedule and processing time for ATM deposits, there may be a delay between the time a deposit (either cash or check) is made and when the funds will be available for withdrawal.

MOBILE CHECK DEPOSIT

If you make a deposit using Salal Credit Union's Mobile Check Deposit, the first \$200 of the combined daily total of all Mobile Check deposits will be made available on the day of your deposit. Additional funds will not be available until the second business day after the day of your deposit. Business days are defined as Monday through Friday and exclude Federal holidays. Deposits posted through Mobile Deposit after 6pm Pacific Time are considered to have been received on the next scheduled business day.

SHARED BRANCHING, MAIL & DROP BOX DEPOSITS

The first \$200 of the combined daily total of deposits will be available on the day of deposit. Additional funds may not be available until the second business day after the day of your deposit. If you make a deposit after business hours or on a day we are not open we will consider the deposit was made on the next business day we are open.

ELECTRONIC FUNDS TRANSFER DISCLOSURE

The following outlines your and Salal Credit Union's rights and responsibilities under Regulation E when you use Electronic Funds Transfer (EFT) services from your consumer deposit account with the credit union. A consumer deposit account is an account that is owned by a natural person and is used primarily for personal, family, or household purposes.

Please read the following carefully because it tells you your rights and responsibilities for the transactions listed.

1. ELECTRONIC FUND TRANSFER SERVICES

The following services are offered:

a. Automated Teller Machine (ATM)

You may use your ATM or Debit Card and Personal Identification Number (PIN) at Automated Teller Machines (ATMs) of the Credit Union, Plus, Star and CO-OP Networks and such other machines or facilities as the Credit Union may designate.

At the present time, you may use your ATM Card to:

- *Make deposits to your checking or savings account;*
- *Make cash withdrawals from your checking or savings account;*
- *Transfer funds between your savings, or checking account; or*
- *Verify your savings, or checking account balances.*

At the present time, you may use your Debit Card to:

- *Make deposits to your savings, money market or checking account;*
- *Make cash withdrawals from your savings, money market or checking account;*
- *Transfer funds between your savings, money market or checking account; or*
- *Verify your savings, money market or checking account balances.*

Some of these services may not be available at all ATMs.

If you use an ATM that is not owned and operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM Network used for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction.

If your ATM or Debit Card is ever captured by an ATM, contact the Credit Union for a replacement card.

b. Bill Pay

You may use your personal computer or mobile device to pay your bills from your Salal Credit Union checking account subject to the terms and conditions of the Salal Credit Union Online Banking Agreement. This agreement will be provided to you when you enroll for this service.

c. Debit Card

If you have a checking account with us, you may use your Debit Card to purchase goods and services from merchants, including merchants who have agreed to accept the Debit Card and PIN (Point-of-Sale transactions). Funds to cover your Debit Card purchases will be deducted from your checking account. You may not use your Debit Card for any illegal or unlawful transaction, and we may decline to process any transaction we believe may be illegal or unlawful.

Some merchants are authorized to accept Debit Cards without requiring you to enter your PIN and may instead require your signature (Signature-Based).

Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars.

d. Electronic Check Transactions

You authorize us to honor any electronic check conversion transaction and represented check fee debit transactions you authorize (“electronic check transactions”). You agree your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any notice regarding the merchant’s right to process the transaction. Notice may include a sign posted by the merchant at the time and place of your transaction.

All terms governing EFT services will apply to electronic check transactions, except the \$50 and \$500 limits of liability for unauthorized transactions in Member Liability. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

e. Online Banking

You may use your personal computer or mobile device to access your accounts subject to the terms and conditions of the Salal Credit Union Online Banking Agreement. This agreement will be provided to you when you enroll for this service.

Transactions involving your deposit accounts, including stop payment requests on your checking account, will be subject to the terms of this Agreement and transactions involving a line of credit account will be subject to your Loan Agreement and Disclosures, as applicable.

f. Phone Access Line (Audio Response)

You may use our audio response Phone Access Line (PAL) service for your accounts, a separate four (4) digit PIN will be assigned to you. You must use your PIN along with your account number to access your accounts. At the present time, you may use PAL to access the following services:

- Obtain account balances and history on deposits, withdrawals, dividends, checks paid check on your accounts;
- Obtain information about your loans, including credit cards;

- Transfer funds between your savings, money market or checking account;
- Withdraw funds from your accounts and request a check payable to you be mailed to your mailing address; and
- Request information on other Credit Union products and services.

g. Pre-authorized Transfers

Upon instruction of (a) your employer or (b) the Treasury Department or (c) other financial institutions, the Credit Union will accept pre-authorized transfers to your account in the form of direct deposits of your paycheck or of federal recurring payments, such as Social Security. In addition, you may contract for pre-authorized transfers from your accounts in the form of direct withdrawals from your account to a particular person or company at least periodically.

2. STOP PAYMENTS ON PRE-AUTHORIZED TRANSFERS

If you have told us in advance to make regular payments out of your account, you can stop any of these payments by calling us at 206.298.9394 or 800.562.5515, or write to us at PO Box 19340, Seattle, WA 98109, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. A fee will be assessed for each stop payment order as set forth in our Consumer Product and Fee Disclosure. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

3. ACCESS CODE SECURITY

Any access code, such as a PIN or password, you select for an EFT service is for your security purposes and is confidential. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you fail to maintain the security of your access code and the Credit Union suffers a loss, we may terminate your use of EFT services and account services immediately, and you may be held liable for the loss.

4. LIMITS ON SERVICES

The following dollar amounts may apply in using certain EFT services as explained above and are limited by the available balance in your account at the time the transaction is attempted.

a. ATM Transactions

The maximum dollar amount you or any joint owner may withdraw from your account using an ATM Card is \$350 per day.

The maximum dollar amount you or any joint owner may withdraw from your account at an ATM using a Debit Card is \$500 per day. For Debit Cards linked to a Pathway Checking Account, the withdrawal limits is \$350 per day.

b. Debit Cards

The maximum combined amount you or any joint owner may purchase through a Point-of-Sale (POS) pin-based transaction is up to \$5,000 each day. For Debit Cards linked to a Pathway Checking Account, the POS transaction limit is \$3,500 per day.

The maximum combined amount you or any joint owner may purchase through a signature-based transaction is up to \$10,000 each day. For Debit Cards linked to a Pathway Checking Account, the signature-based transaction limit is \$3,500 per day.

This daily maximum includes a combination of debit card signature-based transactions from all your accounts per day.

c. Online Banking & Phone Access Line (Audio Response)

Withdrawals by ACH, transfers made using online banking or by telephone, overdraft protection transfers, electronic funds transfers to your other accounts with the Credit Union or to a third party to a savings or money market accounts are limited to a total of six (6) per calendar month. Transactions that exceed this limitation may be subject to a fee or be denied. Your savings or money market account may also be subject to conversion to a checking account or closed for repeated violation of this transaction limitation.

d. Account Security

The limits on services may change at any time. If we have reason to believe your ATM or Debit Card, or access code, such as a PIN has been compromised, we are not required to give prior notice if an immediate change in your account accessibility is necessary to maintain or restore the security of your account or use of applicable EFT services.

5. FEES

Fees for EFT services are as set forth in the Consumer Product and Fee Disclosure. From time to time, the fees may be changed. We will notify you of any changes as required by law. If you request a transfer or check withdrawal from a loan or credit card, such transactions may be subject to charges under the terms and conditions of your applicable loan agreement.

The currency conversion rate for international transactions as established by Visa International, Inc. is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date and may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date. In addition, you will be charged an International Transaction Fee as set forth in the Consumer Product and Fee Disclosure for any card transaction made in a foreign country.

6. RECEIPTS AND NOTICES

You will receive receipts and notices, according to the type of service you use, as a record of your EFT transaction.

a. Periodic Statements

You will receive a statement monthly unless there is no EFT activity in a particular month. In any case, we will send you a statement at least quarterly.

b. Direct Deposits

If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source, you can verify if your direct deposit has been credited to your account by calling 206.298.9394 or 800.562.5515, or through Online Banking (if you have signed up for that service).

c. Terminal Receipt

You will get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM or POS terminal; however, you may not receive a receipt if the amount of the transaction is \$15 or less.

7. REPORTING ERRORS OR QUESTIONS ON CONSUMER ACCOUNTS

In case of errors or questions about your EFT activity, telephone us at the phone number below or write us at the address provided below as soon as you can if you think your statement or receipt is wrong, or if you need more information about a transfer on the statement or receipt.

- Call 800.562.5515 or 206.298.9394; or
- Write to us at: P.O. Box 19340, Seattle, WA 98109

We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number.
- Describe the error or transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide there was no error, we will send you a written explanation. You may ask for copies of the documents we used in our investigation.

IMPORTANT: If you have questions about a Bill Pay payment: Please call 855.207.9100 instead of the telephone number listed above, or submit a written request through Bill Pay in Online Banking.

8. DISPUTES WITH MERCHANTS CONCERNING GOODS AND SERVICES

Merchant disputes not covered by Regulation E would include things like merchandise ordered but not received, cancellation of a recurring subscription, receipt of defective or wrong merchandise, or a service requested and paid for but not received.

You agree to settle all merchant disputes, as defined above, involving your Debit Card with the merchant who honored the card. If you are unable to settle the dispute with the merchant, we will attempt to help resolve the dispute; however, we will only do so if you agree to send us a letter that includes your name and account number as well as the following:

- *Date of the disputed transaction;*
- *Amount of the disputed transaction;*
- *Merchant name and location; and*
- *Why you are disputing the transaction.*

In your letter you must also provide confirmation of your attempt(s) to contact the merchant and resolve the dispute.

Disputes of this nature are not afforded the same rights as unauthorized transfers or errors covered under Regulation E.

9. LIABILITY FOR COMPROMISED CARD OR ACCESS CODE

Tell us at once if you believe your ATM Card, Debit Card or your PIN or any other access code has been lost, stolen or learned by an unauthorized person. Also, tell us at once if you believe an EFT transaction has been made without your permission using information from your check. The best way to keep your possible losses down is to call us immediately.

If you tell us of an unauthorized EFT transaction or series of such transactions within two (2) business days after you learn of the loss or theft, you can lose no more than \$50 if someone accessed your account without your permission.

If you do not tell us within two (2) business days after you learn of the loss or theft of your ATM or Debit Card or code and we can prove we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows EFT transfers you did not make, including those made by ATM Card, Debit Card, access code or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

Remember, do not write your PIN on your card or carry the PIN with you. This reduces the possibility of someone using your card without your permission if it is lost or stolen.

10. VISA DEBIT CARD ZERO LIABILITY

The Visa Zero Liability Program (Program) may remove the \$50 cardholder liability as explained above. This program does not apply to ATM transactions or PIN transactions not processed by Visa. Individual provisional credit amounts are provided on a provisional basis and may be withheld, delayed, limited or rescinded by us as a Visa card issuer based on the following factors.

- *Your gross negligence or fraud;*
- *Your delay in reporting the unauthorized use to us;*
- *Our investigation and verification of your claim; and*
- *Your account standing and history.*

You must notify us immediately upon discovery of any unauthorized use and the transaction(s) must have posted to your checking account before any provisional credit is made.

Additional details about this Program may be obtained by visiting the following website: http://usa.visa.com/merchants/risk_management/zero_liability.html

11. BUSINESS DAYS

Our business days are Monday through Friday. Saturdays, Sundays and holidays are not included.

12. LIABILITY FOR TRANSFERS

You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Card or access code, you are responsible for any transactions they authorize or conduct on any of your checking and savings accounts.

13. ACCOUNT INFORMATION DISCLOSURE

We will disclose information to third parties about your account or the transfers you make:

- *As necessary to complete transfers;*
- *To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;*
- *To comply with government agency or court orders; or*
- *If you give us your written permission.*

14. CREDIT UNION LIABILITY FOR FAILURE TO MAKE TRANSACTIONS

If we do not complete a transaction to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance, if:

- *Through no fault of ours, you do not have enough money in your account to make the transfer.*
- *Your account is inactive or the transfer would go over the credit limit on your line of credit.*
- *You used the wrong access code or Card in an incorrect manner,*

or if you have not properly followed applicable computer or Credit Union user instructions for a transaction.

- *The Card has expired or is damaged and cannot be used.*
- *The automated teller machine (ATM) where you are making the transaction does not have enough cash.*
- *The transaction cannot be completed because the ATM was not working properly due to circumstances beyond our control, such as fire, flood or power failure.*
- *The money in your account is subject to an administrative hold, legal process or other claim.*
- *You have not given the Credit Union complete, correct and current instructions so the Credit Union can process the transfer.*
- *The error was caused by a system or any of the designated ATM or POS networks, a telecommunications or Internet service provider or bill payment processor.*

There may be other exceptions as established by the Credit Union and if so, they will be stated in this Agreement.

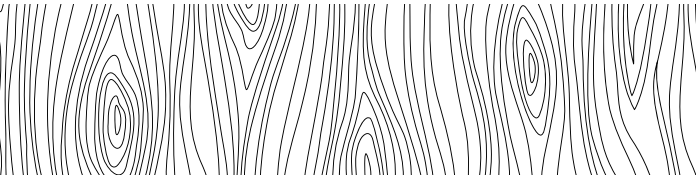
15. TERMINATION OF EFT SERVICES

You agree we may terminate your EFT services, if you, or any authorized user of your accounts EFT services or access code breach this or any other agreement with us; or if we have reason to believe there has been an unauthorized use of your cards or access code.

You or any other party to your account can also terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

16. NOTICES

The Credit Union reserves the right to change the terms and conditions related to EFT services and will mail notice to you at least twenty-one (21) days before the effective date of any changes, as required by law. Use of EFT services is subject to existing regulations governing the Credit Union and your accounts and any future changes to those regulations.



SALAL 
CREDIT UNION

www.SalalCU.org

800.562.5515 • 206.298.9394

AFTER HOURS 866.692.8669

SALAL CREDIT UNION IS FEDERALLY INSURED
BY THE NATIONAL CREDIT UNION ASSOCIATION

SBS-PFD-4/2014